

108TH CONGRESS  
2D SESSION

# H. R. 4127

To amend the Public Health Service Act to authorize grants to hospitals for measurement-based strategies to improve the quality and efficiency of health care.

---

## IN THE HOUSE OF REPRESENTATIVES

APRIL 2, 2004

Mr. KIND (for himself and Mr. UPTON) introduced the following bill; which was referred to the Committee on Energy and Commerce

---

## A BILL

To amend the Public Health Service Act to authorize grants to hospitals for measurement-based strategies to improve the quality and efficiency of health care.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Improving Efficiency  
5 and Quality in Hospitals Act of 2004”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds as follows:

8 (1) The goals of the Institute of Medicine, as  
9 expressed in its report entitled “Crossing the Quality

1 Chasm: A New Health System for the 21st Cen-  
2 tury”, are to increase quality and efficiency in hos-  
3 pitals and health care systems.

4 (2) Approaches such as Six Sigma, Root Cause  
5 Analysis, and Failure Mode and Effect Analysis  
6 have succeeded in reducing errors, cutting costs, and  
7 improving services.

8 **SEC. 3. DEMONSTRATION PROJECT FOR IMPROVING QUAL-**  
9 **ITY AND EFFICIENCY AT HOSPITALS.**

10 Part A of title IX of the Public Health Service Act  
11 (42 U.S.C. 299 et seq.) is amended by adding at the end  
12 the following:

13 **“SEC. 904. DEMONSTRATION PROJECT FOR IMPROVING**  
14 **QUALITY AND EFFICIENCY AT HOSPITALS.**

15 “(a) GRANTS.—The Secretary, acting through the  
16 Director, may make grants to hospitals for developing and  
17 implementing measurement-based strategies to improve  
18 the quality and efficiency of health care.

19 “(b) USE OF FUNDS.—The Secretary may not make  
20 a grant to a hospital under this section unless the hospital  
21 agrees to use the grant, with respect to health care at the  
22 hospital, to improve the following:

23 “(1) Safety.

24 “(2) Injury avoidance.

1           “(3) Effectiveness of services, based on sci-  
2           entific knowledge and focusing on patients.

3           “(4) Timeliness.

4           “(5) Efficiency.

5           “(6) Equitable distribution of services.

6           “(c) DISTRIBUTION.—The Secretary shall make  
7           grants under this section to urban hospitals, non-urban  
8           hospitals, teaching hospitals, and hospitals with fewer  
9           than 50 acute care beds.

10          “(d) REPORT.—Not later than 3 years after the date  
11          of the enactment of this section, the Secretary shall con-  
12          duct an assessment of the results of grants under this sec-  
13          tion and submit to the Congress a report on the findings  
14          and conclusions of the assessment.

15          “(e) AUTHORIZATION OF APPROPRIATIONS.—There  
16          are authorized to be appropriated to carry out this section  
17          such sums as may be necessary for the period of fiscal  
18          years 2005 through 2007.”.

○